



## **CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE**

### **2020 NON-COMPETITIVE 4% TCAC APPLICATION FOR LOW-INCOME HOUSING TAX CREDITS FEDERAL CREDIT WITH TAX-EXEMPT BONDS, INCLUDING STATE CREDITS (\$500M /Farmworker) (ATTACHMENT 40 FOR CDLAC-TCAC JOINT APPLICATION)**

April 17, 2020 Version

#### **II. APPLICATION - SECTION 1: TCAC APPLICANT STATEMENT AND CERTIFICATION**

**TCAC APPLICANT:** Mercado 2019 LP

**PROJECT NAME:** Mercado Apartments

#### **PLEASE INCLUDE APPLICATION FEE WITH APPLICATION SUBMISSION**

Check Only

The undersigned TCAC Applicant hereby makes application to the California Tax Credit Allocation Committee ("TCAC") for a reservation of Federal and State Low-Income Housing Tax Credits ("Credits") in the amount(s) of:

\$1,372,199 annual Federal Credits  
                     total State Credits

for the purpose of providing low-income rental housing as herein described. I understand that Credit amount preliminarily reserved for this project, if any, may be adjusted over time based upon changing project costs and financial feasibility analyses which TCAC is required to perform on at least three occasions.

Election to sell ("certificate") state credits: No By selecting "Yes" or "No" in the box immediately before, I hereby make an election to sell ("certificate") or not sell all or any portion of the state credit, as allowed pursuant to Revenue and Taxation Code Sections 12206(o), 17058(q), and 23610.5(r). I further certify that the applicant is a non-profit entity, and that the state credit price will not be less than eighty (80) cents per dollar of credit. I acknowledge that if I elect to sell ("certificate") all or any portion of the state credit, I may, only once, revoke an election to sell at any time before CTCAC issues the Form(s) 3521A for the project.

I agree it is my responsibility to provide TCAC with the original complete application as well as such other information as TCAC requests as necessary to evaluate my application. I represent that if a reservation or allocation of Credit is made as a result of this application, I will also furnish promptly such other supporting information and documents as may be requested. I understand that TCAC may verify information provided and analyze materials submitted as well as conduct its own investigation to evaluate the application. I recognize that I have an affirmative duty to inform TCAC when any information in the application or supplemental materials is no longer true and to supply TCAC with the latest and accurate information.

I certify that the numbers describing project cost, development budget, financing amounts, operating subsidies, unit mix and targeting, and all related application documents are the same as those provided in applications submitted to CDLAC, CalHFA, and HCD, as applicable. I certify that any applications, revisions, or updates provided to TCAC, CDLAC, CalHFA, or HCD will be provided to all other of these state agencies providing financing, tax credits, or subsidies to the project.

I acknowledge that if I receive a reservation of Tax Credits, I will be required to submit requisite documentation at the following stages: updated development timetable under regulation section 10326(j)(4), and the time the project is placed-in-service.

I represent I have read Section 42 of the Internal Revenue Code (IRC) pertaining to Federal Tax Credits, and if applying for State Tax Credits, I represent I have also read California Health and Safety Code Sections 50199.4 et seq. and California Revenue and Taxation Code Sections 12206, 17058, and 23610.5 pertaining to the State Tax Credit program. I understand that the Federal and State Tax Credit programs are complex and involve long-term maintenance of housing for qualified low-income households. I acknowledge that TCAC has recommended that I seek advice from my own tax attorney or tax advisor.

I certify that I have read and understand the provisions of Sections 10322(a) through (h) related to application filing deadlines, forms, incomplete applications, and application changes.

I agree to hold TCAC, its members, officers, agents, and employees harmless from any matters arising out of or related to the Credit program.

I agree that TCAC will determine the Credit amount to comply with requirements of IRC Section 42 but that TCAC in no way warrants the feasibility or viability of the project to anyone for any purpose. I acknowledge that TCAC makes no representation regarding the effect of any tax Credit which may be allocated and makes no representation regarding the ability to claim any Credit which may be allocated.

I acknowledge that all materials and requirements are subject to change by enactment of federal or state legislation or promulgation of regulations.

In carrying out the development and operation of the project, I agree to comply with all applicable federal and state laws regarding unlawful discrimination and will abide by all Credit program requirements, rules, and regulations.

I acknowledge that the Low-Income Housing Tax Credit program is not an entitlement program and that my application will be evaluated based on the Credit statutes, regulations, and the Qualified Allocation Plan adopted by TCAC which identify the priorities and other standards which will be employed to evaluate applications.

I acknowledge that an award of federal or state Tax Credits does not guarantee that the project will qualify for Tax Credits. Both federal law and the state law require that various requirements be met on an ongoing basis. I agree that compliance with these requirements is the responsibility of the applicant.

I acknowledge that the information submitted to TCAC in this application or supplemental thereto may be subject to the Public Records Act or other disclosure. I understand that TCAC may make such information public.

I acknowledge that if I obtain an allocation of Federal or State Tax Credits, I will be required to enter into a regulatory contract that will contain, among other things, all the conditions under which the Credits were provided including the selection criteria delineated in this application.

I declare under penalty of perjury that the information contained in the application, exhibits, attachments, and any further or supplemental documentation is true and correct to the best of my knowledge and belief.

I certify and guarantee that each item identified in TCAC's minimum construction standards will be incorporated into the design of the project, unless a waiver has been approved by TCAC. The project will at least maintain the installed energy efficiency and sustainability features' quality when replacing systems and materials. When requesting a threshold basis increase for a prevailing wage requirement, if the project is subject to state prevailing wages, I certify that contractors and subcontractors will comply with California Labor Code Section 1725.5. When requesting a threshold basis increase for development impact fees, the impact fee amounts are accurate as of the application date.

In an application proposing rehabilitation work, I certify that all necessary work identified in the Capital Needs Assessment, including the immediate needs listed in the report, will be performed (unless a waiver is granted) prior to the project's rehabilitation completion.

I understand that any misrepresentation may result in cancellation of Tax Credit reservation, notification of the Internal Revenue Service and the Franchise Tax Board, and any other actions that TCAC is authorized to take pursuant to California Health and Safety Code Section 50199.22, issuance of fines pursuant to California Health and Safety Code Section 50199.10, and negative points per Regulation Section 10325(c)(3) or under general authority of state law.

I certify that I believe that the project can be completed within the development budget and the development timetable set forth (which timetable is in conformance with TCAC rules and regulations) and can be operated in the manner proposed within the operating budget set forth.

I agree that TCAC is not responsible for actions taken by the applicant in reliance on a prospective Tax Credit reservation or allocation.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ at

\_\_\_\_\_, California.

By \_\_\_\_\_  
(Original Signature)

\_\_\_\_\_  
(Typed or printed name)

\_\_\_\_\_  
(Title)

Local Jurisdiction:

San Diego County

City Manager:

Tina Kessler

Title:

City Manager

Mailing Address:

1122 Broadway, Suite 300

City:

San Diego

Zip Code:

92101

Phone Number: (619) 578-7569 Ext.   
FAX Number: (619) 578-7356  
E-mail: tinak@sdhc.org

\* For City Manager, please refer to the following the website below:  
<http://www.treasurer.ca.gov/ctcac/2018/lra/contact.pdf>

## II. APPLICATION - SECTION 2: GENERAL AND SUMMARY INFORMATION

### A. Application Type

Application type: Preliminary Reservation

Joint Application? CDLAC-TCAC Joint Application (submitting concurrent)

Prior application was submitted but not selected? Yes

If yes, enter application number: TCAC # CA - 20 - 561

Has credit previously been awarded? No

If re-applying and returning credit, enter the current application number: TCAC # CA -        -       

Is this project a Re-syndication of a current TCAC project? Yes

If a Resyndication Project, complete the **Resyndication Projects** section below.

### B. Project Information

Project Name: Mercado Apartments

Site Address: 2001 Newton Avenue

If address is not established, enter detailed description (i.e. NW corner of 26th and Elm)

City: San Diego County: San Diego

Zip Code: 92113 Census Tract: 0050.00

Assessor's Parcel Number(s): 538-672-04-00

Project is located in a DDA: No \*Federal Congressional District: 51

Project is located in a Qualified Census Tract: Yes \*State Assembly District: 80

Project is a Scattered Site Project: No \*State Senate District: 40

Project is **Rural** as defined by TCAC Regulation Section 10302(kk) No

\*Accurate information is essential; the following website is provided for reference:

<https://www.govtrack.us/congress/members/map>

<http://findyourrep.legislature.ca.gov/>

### C. Credit Amount Requested

Federal \$1,372,199

State        State Farmworker Credit? No

### D. Federal Minimum Set-Aside Election (IRC Section 42(g)(1))

40%/60%

### E. Housing Type Selection

Large Family If Special Needs housing, enter number of Special Needs units:       

(Note: Housing Type is used to establish operating expense minimums under regulation section 10327(g)(1))

### F. Geographic Area (Reg. Section 10315(i))

Please select the project's geographic area:

San Diego County

## II. APPLICATION - SECTION 3: APPLICANT INFORMATION

### A. Identify TCAC Applicant

Applicant is the current owner and will retain ownership:	N/A
Applicant will be or is a general partner in the to be formed or formed final ownership entity:	N/A
Applicant is the project developer and will be part of the final ownership entity for the project:	Yes
Applicant is the project developer and will not be part of the final ownership entity for the project:	N/A

### B. TCAC Applicant Contact Information

Applicant Name:	Mercado 2019 LP		
Street Address:	1355 Third Ave		
City:	Chula Vista	State: CA	Zip Code: 91911
Contact Person:	Christopher Ramirez		
Phone:	(619) 426-3595	Ext.: 1556	Fax:
Email:	cramirez@maacproject.org		

### C. Legal Status of Applicant:

Limited Partnership	Parent Company: MAAC
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If Other, Specify:

### D. General Partner(s) Information (post-closing GPs):

<b>D(1)</b> General Partner Name:	Mercado MGP 2019 LLC		Managing GP
Street Address:	1355 Third Avenue		OWNERSHIP
City:	Chula Vista	State: CA Zip Code: 91911	INTEREST (%):
Contact Person:	Christopher Ramirez		0.01
Phone:	619-426-3595	Ext.: 1556 Fax:	
Email:	cramirez@maacproject.org		
Nonprofit/For Profit:	Nonprofit		Parent Company: MAAC

<b>D(2)</b> General Partner Name:*			(select one)
Street Address:			OWNERSHIP
City:		State: Zip Code:	INTEREST (%):
Contact Person:			
Phone:		Ext.: Fax:	
Email:			
Nonprofit/For Profit:	(select one)		Parent Company:

<b>D(3)</b> General Partner Name:			(select one)
Street Address:			OWNERSHIP
City:		State: Zip Code:	INTEREST (%):
Contact Person:			
Phone:		Ext.: Fax:	
Email:			
Nonprofit/For Profit:	(select one)		Parent Company:

### E. General Partner(s) or Principal Owner(s) Type

Nonprofit

*\*If Joint Venture, 2nd GP must be included if applicant is pursuing a property tax exemption Reg. Section 10327(g)(2) - "TBD" not sufficient*

### F. Status of Ownership Entity

currently exists If to be formed, enter date:

*\*(Federal I.D. No. must be obtained prior to submitting carryover allocation package)*

**G. Contact Person During Application Process**

Company Name:	MAAC				
Street Address:	1355 Third Avenue				
City:	Chula Vista	State:	CA	Zip Code:	91911
Contact Person:	Christopher Ramirez				
Phone:	619-426-3595	Ext.:	1556	Fax:	
Email:	cramirez@maacproject.org				
Participatory Role:	Developer, GP, Applicant				

(e.g., General Partner, Consultant, etc.)

## II. APPLICATION - SECTION 4: DEVELOPMENT TEAM INFORMATION

### A. Indicate and List All Development Team Members

Developer: MAAC  
 Address: 1355 Third Avenue  
 City, State, Zip: Chula Vista, CA 91911  
 Contact Person: Christopher Ramirez  
 Phone: 619-426-3595 Ext.: 1556  
 Fax: 619-426-2173  
 Email: cramirez@maacproject.org

Attorney: Goldfarb Lipman  
 Address: 1300 Clay Street, 11th Floor  
 City, State, Zip: Oakland, CA 94612  
 Contact Person: William DiCamillo  
 Phone: (510) 836-6336 Ext.:   
 Fax:   
 Email: wdicamillo@goldfarblipman.com

Tax Professional: Goldfarb Lipman  
 Address: 1300 Clay Street, 11th Floor  
 City, State, Zip: Oakland, CA 94612  
 Contact Person: William DiCamillo  
 Phone: (510) 836-6336 Ext.:   
 Fax:   
 Email: wdicamillo@goldfarblipman.com

CPA: HCVT  
 Address: 3011 Towngate Rd  
 City, State, Zip: Westlake Village, CA, 91361  
 Contact Person: Dave Bierhost  
 Phone: (805) 413-1702 Ext.:   
 Fax:   
 Email: dava@hcv.com

Consultant: MirKa Investments  
 Address: 600 B Street, Suite 300  
 City, State, Zip: San Diego, CA 92101  
 Contact Person: Kursat Misirlioglu  
 Phone: (619) 599-3852 Ext.:   
 Fax:   
 Email: k.misirlioglu@outlook.com

Appraiser: Kinetic Valuation Group  
 Address: 11060 Oak Street, Suite 6  
 City, State, Zip: Omaha, NE 68144  
 Contact Person: Jay A. Wortmann  
 Phone: (402) 202-0771 Ext.:   
 Fax:   
 Email: jay@kvgteam.com

Architect: Rodriguez Associates Architects &  
 Address: 4080 Centre Street, Suite 104  
 City, State, Zip: San Diego, CA 92103  
 Contact Person: Carlos Rodriguez  
 Phone: (619) 544-8951 Ext.:   
 Fax: (619) 544-8941  
 Email: carlosr@ra-architects.net

General Contractor: Sun Country Builders  
 Address: 3156 Lionshead Avenue, Suite 2  
 City, State, Zip: Carlsbad, CA 92010  
 Contact Person: Daryl McFarland  
 Phone: (760) 360-8042 Ext.:   
 Fax:   
 Email: dmcfarland@suncountrybuilders.net

Energy Consultant: SoCal HERS Raters  
 Address: 2840 Fletcher Parkway, #213  
 City, State, Zip: El Cjaon, CA 92020  
 Contact Person: Kevin Rassmussen  
 Phone: (619) 251-7982 Ext.:   
 Fax:   
 Email: kvnras@gmail.com

Investor: Hunt Capital Partners  
 Address: 15910 Ventura Boulevard, Suite 11  
 City, State, Zip: Encino, CA 91436  
 Contact Person: Dana Mayo  
 Phone: (818) 380-6130 Ext.:   
 Fax:   
 Email: dano.mayo@huntcompanies.com

Market Analyst: Kinetic Valuation Group  
 Address: 11060 Oak Street, Suite 6  
 City, State, Zip: Omaha, NE 68144  
 Contact Person: Jay A. Wortmann  
 Phone: (402) 202-0771 Ext.:   
 Fax:   
 Email: jay@kvgteam.com

CNA Consultant: PACS, Inc.  
 Address: 26481 Rancho Pkwy South  
 City, State, Zip: Lake Forest, CA 92630  
 Contact Person: Bertie Chawla  
 Phone: (714) 571-0287 Ext.:   
 Fax: (714) 571-0033  
 Email: info@costreview.com



Bond Issuer:	San Diego Housing Commission	Prop. Mgmt. Co.:	MAAC
Address:	1122 Broadway, Suite 300	Address:	1355 Third Avenue
City, State, Zip:	San Diego, CA 92101	City, State, Zip:	Chula Vista, CA 91911
Contact Person:	Colin Miller	Contact Person:	Anthony Bernal
Phone:	(619) 578-7429 Ext.:	Phone:	(619) 426-3595 Ext.:
Fax:		Fax:	(619) 426-2713
Email:	colinm@sdhc.org	Email:	abernal@maacproject.org

2nd Prop. Mgmt. Co.:	
Address:	
City, State, Zip:	
Contact Person:	
Phone:	Ext.:
Fax:	
Email:	

## II. APPLICATION - SECTION 5: PROJECT INFORMATION

### A. Type of Credit Requested

New Construction	N/A	If yes, will demolition of an existing structure be involved?	N/A
(may include Adaptive Reuse)		If yes, will relocation of existing tenants be involved?	N/A
Rehabilitation-Only	N/A	Is this an Adaptive Reuse project?	N/A
Acquisition & Rehabilitation	Yes	If yes, please consult TCAC staff to determine the applicable regulatory requirements (new construction or rehabilitation).	

### B. Acquisition and Rehabilitation/Rehabilitation-only Projects

If requesting Acquisition Credit, will the acquisition meet the 10-year placed in service rule as required by IRC Sec. 42(d)(2)(B)(ii)? Yes

If no, will it meet the waiver conditions of IRC Sec. 42(d)(6)? N/A

Acquisition basis is established using: Appraisal

Will the rehabilitation and/or the income and rent restrictions of Sec. 42 cause relocation of existing tenants? No

If yes, applicants must submit an explanation of relocation requirements, a detailed relocation plan including a budget with an identified funding source (see Checklist).

Age of Existing Structures	26	No. of Existing Buildings	26
No. of Occupied Buildings	26	No. of Existing Units	144
No. of Stories	2		
Current Use:	Affordable multi-family housing		

### Resyndication Projects

Current/original TCAC ID: TCAC # CA - 92 - 132 TCAC # CA -  -

First year of credit: 1994

Are Transfer Event provisions applicable? See questionnaire on TCAC website. Yes

Is the project currently under a Capital Needs Agreement with TCAC? N/A

If so, has the Short Term Work been completed? N/A See Checklist, Tab 8 for documentation requirements.

Is the project subject to hold harmless rent limits? No If yes, see page 18 and Checklist, Tab 8.

### C. Purchase Information

Name of Seller:	Mercado Apartments LP	Signatory of Seller:	Arnulfo Manriquez
Seller Principal:	Arnulfo Manriquez	Seller Principal:	
Title:	President / CEO	Title:	President / CEO
Seller Address:	1355 Third Avenue	Chula Vista, CA 91911	
Date of Purchase Contract or Option:	9/5/2019	Purchased from Affiliate:	Yes
Expiration Date of Option:		If yes, broker fee amount to affiliate?	
Purchase Price:	\$23,190,000	Expected escrow closing date:	01/30/21
Phone:	(619) 426-3595	Ext.:	1556
Holding Costs per Month:		Historical Property/Site:	No
Real Estate Tax Rate:	1.23%	Total Projected Holding Costs:	
Amount of SOFT perm financing covering the excess purchase price over appraised value		Purchase price over appraisal	

### D. Project, Land, Building and Unit Information

Project Type:	One or Two Story Garden		
Two or More Story With an Elevator:	N/A	if yes, enter number of stories:	
Two or More Story Without an Elevator:	Yes	if yes, enter number of stories:	2
One or More Levels of Subterranean Parking:	N/A		
Other:	Elevator at 2-story community building only; service to 2 floors.		

E. **Land** **Density:**  
x Feet or 4.34 Acres 189,050 Square Feet 33.18  
 If irregular, specify measurements in feet, acres, and square feet:

F. **Building Information**

Total Number of Buildings: 26 Residential Buildings: 24  
 Community Buildings: 1 Commercial/ Retail Space: N/A

If Commercial/ Retail Space, explain: (include use, size, location, and purpose)

Are Buildings on a Contiguous Site? Yes

If not Contiguous, do buildings meet the requirements of IRC Sec. 42(g)(7)? N/A

Do any buildings have 4 or fewer units?

No

If yes, are any of the units to be occupied by the owner or  
 a person related to the owner (IRC Sec. 42(i)(3)(c))?

N/A

G. **Project Unit Number and Square Footage**

Total number of units:	144
Total number of non-Tax Credit Units (i.e. market rate units) (excluding managers' units):	
Total number of units (excluding managers' units):	142
Total number of Low Income Units:	142
Ratio of Low Income Units to total units (excluding managers' units):	100.00%
Total square footage of all residential units (excluding managers' units):	148,293
Total square footage of Low Income Units:	148,293
Ratio of low-income residential to total residential square footage (excluding managers' units):	100.00%
Applicable fraction, smaller of unit or square footage ratio (used on "Basis & Credits"):	100.00%
Total interior amenity space square footage (TCAC Regulation Section 10325(g)(1)):	1,302
Total commercial/ retail space square footage:	
Total common area square footage (including managers' units):	7,298
Total parking structure square footage (excludes car-ports and "tuck under" parking):	
<b>*Total square footage of all project structures</b> (excluding commercial/retail):	156,893

\*equals: "total square footage of all residential units" + "total interior amenity space square footage" + "total common area square footage" + "total parking structure square footage")

**Total Project Cost per Unit**

\$309,689

**Total Residential Project Cost per Unit**

\$309,689

**Total Eligible Basis per Unit**

\$281,442

#### H. Tenant Population Data

Completion of this section is required. **The information requested in this section is for national data collection purposes, and is not intended for threshold and competitive scoring use;** however, the completed table should be consistent with information provided in the application and attachments.

Indicate the number of units anticipated for the following populations:

Homeless/formerly homeless	N/A
Transitional housing	N/A
Persons with physical, mental, development disabilities	N/A
Persons with HIV/AIDS	N/A
Transition age youth	N/A
Farmworker	N/A
Family Reunification	N/A
Other:	N/A
Units with tenants qualifying as two or more of the above (explain):	
For 4% federal applications only:	
Rural area consistent with TCAC methodology	N/A

## II. APPLICATION - SECTION 6: REQUIRED APPROVALS & DEVELOPMENT TIMETABLE

### A. Required Approvals Necessary to Begin Construction

	Approval Dates		
	Application Submittal	Estimated Approval	Actual Approval
Negative Declaration under CEQA	N/A		
NEPA	N/A		
Toxic Report	N/A		
Soils Report	N/A		
Coastal Commission Approval	N/A		
Article 34 of State Constitution	N/A		
Site Plan	N/A		
Conditional Use Permit Approved or Required	N/A		
Variance Approved or Required	N/A		
Other Discretionary Reviews and Approvals	N/A		

	Project and Site Information	
Current Land Use Designation	Multi-Family Residential (Section 1200)	
Current Zoning and Maximum Density	Barrio Logan Planned District (BLPD-REDEVLP-SUBD)(Density: 41	
Proposed Zoning and Maximum Density	Barrio Logan Planned District (BLPD-REDEVLP-SUBD)(Density: 41	
Occupancy restrictions that run with the land due to CUP's or density bonuses?	No	(if yes, explain here)
Building Height Requirements	35 ft	
Required Parking Ratio	Beds<=2: 1/DU. Beds 3+: 1.5/DU. Guest: 1:5DU.0 Daycare: 1spac	

**B. Development Timetable**

		Actual or Scheduled		
		Month	/	Year
<b>SITE</b>	Environmental Review Completed	N/A	/	
	Site Acquired	1	/	2021
<b>LOCAL PERMITS</b>	Conditional Use Permit	N/A	/	
	Variance	N/A	/	
	Site Plan Review	N/A	/	
	Grading Permit	N/A	/	
	Building Permit	1	/	2021
<b>CONSTRUCTION FINANCING</b>	Loan Application	6	/	2020
	Enforceable Commitment	6	/	2020
	Closing and Disbursement	1	/	2021
<b>PERMANENT FINANCING</b>	Loan Application	6	/	2020
	Enforceable Commitment	6	/	2020
	Closing and Disbursement	6	/	2022
<b>OTHER LOANS AND GRANTS</b>	Type and Source: (specify here)	N/A	/	
	Application	N/A	/	
	Closing or Award	N/A	/	
	Type and Source: (specify here)	N/A	/	
	Application	N/A	/	
	Closing or Award	N/A	/	
	Type and Source: (specify here)	N/A	/	
	Application	N/A	/	
	Closing or Award	N/A	/	
	Type and Source: (specify here)	N/A	/	
	Application	N/A	/	
	Closing or Award	N/A	/	
	Type and Source: (specify here)	N/A	/	
	Application	N/A	/	
	Closing or Award	N/A	/	
	Type and Source: (specify here)	N/A	/	
	Application	N/A	/	
	Closing or Award	N/A	/	
	10% of Costs Incurred	1	/	2021
	Construction Start	2	/	2021
	Construction Completion	3	/	2022
	Placed In Service	3	/	2022
	Occupancy of All Low-Income Units	3	/	2022

### III. PROJECT FINANCING - SECTION 1: CONSTRUCTION FINANCING

#### A. Construction Financing

List Below All Projected Sources Required To Complete Construction

Name of Lender/Source	Term (months)	Interest Rate	Fixed/Variable	Amount of Funds
1) CBT- Tax Exempt Const. Loan	24	3.150%	Fixed	\$23,123,784
2) HUNT Capital- Equity				\$1,959,500
3) Seller Note				\$12,370,000
4) Income from Operations				\$1,294,468
5) Deferred Developer Fee				\$1,785,221
6) GP Contribution of Developer Fee				\$600,000
7) Residual Rcpt. Loan- Accrued Interest				\$927,750
8) Deferred Costs				\$2,534,505
9)				
10)				
11)				
12)				
<b>Total Funds For Construction:</b>				<b>\$44,595,228</b>

1) Lender/Source: CBT- Tax Exempt Const. Loan  
 Street Address: 1900 Avenue of the Stars  
 City: Los Angeles  
 Contact Name: Steven Herman  
 Phone Number: (310) 407-6181 Ext.:  
 Type of Financing: Construction Loan  
 Variable Rate Index (if applicable):  
 Is the Lender/Source Committed? Yes

2) Lender/Source: HUNT Capital- Equity  
 Street Address: 15910 Ventura Boulevard, Suite 1100  
 City: Encino  
 Contact Name: Dana Mayo  
 Phone Number: (818) 380-6130 Ext.:  
 Type of Financing: Tax Credit Equity  
 Variable Rate Index (if applicable):  
 Is the Lender/Source Committed? Yes

3) Lender/Source: Seller Note  
 Street Address: 1355 Third Ave  
 City: Chula Vista  
 Contact Name: Arnulfo Manriquez  
 Phone Number: (619) 426-3595 Ext.: 1556  
 Type of Financing:  
 Is the Lender/Source Committed? Yes

4) Lender/Source: Income from Operations  
 Street Address: 1355 Third Ave  
 City: Chula Vista  
 Contact Name: Arnulfo Manriquez  
 Phone Number: (619) 426-3595 Ext.: 1556  
 Type of Financing: Cash from Operations  
 Is the Lender/Source Committed? Yes

5) Lender/Source: Deferred Developer Fee  
 Street Address: 1355 Third Avenue  
 City: Chula Vista  
 Contact Name: Arnulfo Manriquez  
 Phone Number: (619) 426-3595 Ext.: 1556  
 Type of Financing:  
 Is the Lender/Source Committed? Yes

6) Lender/Source: GP Contribution of Developer Fee  
 Street Address: 1355 Third Ave  
 City: Chula Vista  
 Contact Name: Arnulfo Manriquez  
 Phone Number: (619) 426-3595 Ext.: 1556  
 Type of Financing:  
 Is the Lender/Source Committed? Yes

7) Lender/Source: Residual Rcpt. Loan- Accrued Interest  
Street Address: 1355 Third Ave  
City: Chula Vista  
Contact Name: Arnulfo Manriquez  
Phone Number: (619) 426-3595 Ext.: 1556  
Type of Financing:  
Is the Lender/Source Committed? Yes

9) Lender/Source:  
Street Address:  
City:  
Contact Name:  
Phone Number: Ext.:  
Type of Financing:  
Is the Lender/Source Committed?

11) Lender/Source:  
Street Address:  
City:  
Contact Name:  
Phone Number: Ext.:  
Type of Financing:  
Is the Lender/Source Committed? No

8) Lender/Source: Deferred Costs  
Street Address: N/A  
City:  
Contact Name:  
Phone Number: Ext.:  
Type of Financing: Costs not paid until conversion  
Is the Lender/Source Committed? No

10) Lender/Source:  
Street Address:  
City:  
Contact Name:  
Phone Number: Ext.:  
Type of Financing:  
Is the Lender/Source Committed? No

12) Lender/Source:  
Street Address:  
City:  
Contact Name:  
Phone Number: Ext.:  
Type of Financing:  
Is the Lender/Source Committed? No



### III. PROJECT FINANCING - SECTION 2: PERMANENT FINANCING

#### A. Permanent Financing

**List Below All Projected Sources Required To Complete Construction**

Name of Lender/Source	Term (months)	Interest Rate	Residual Receipts / Deferred Pymt.	Annual Debt Service	Amount of Funds
1) CBT-Tax Exempt Permanent Loan	420	3.600%		\$731,982	\$6,692,656
2) CBT- Taxable Permanent Loan	420	3.600%			\$7,861,802
3) Seller Note	660	5.000%			\$12,370,000
4) Deferred Developer Fee					\$1,785,221
5) GP Contribution of Developer Fee					\$600,000
6) Income from Operations					\$1,294,468
7) Residual Receipt Loans Accrued Interest					\$927,750
8)					
9)					
10)					
11)					
12)					
<b>Total Permanent Financing:</b>					<b>\$31,531,897</b>
<b>Total Tax Credit Equity:</b>					<b>\$13,063,331</b>
<b>Total Sources of Project Funds:</b>					<b>\$44,595,228</b>

1) Lender/Source: CBT-Tax Exempt Permanent Loan  
 Street Address: 1900 Avenue of the Stars  
 City: Los Angeles  
 Contact Name: Steven Herman  
 Phone Number: (310) 407-6181 Ext.:  
 Type of Financing: Conventional Perm Loan  
 Is the Lender/Source Committed? Yes

2) Lender/Source: CBT- Taxable Permanent Loan  
 Street Address: 1900 Avenue of the Stars  
 City: Los Angeles  
 Contact Name: Steven Herman  
 Phone Number: (310) 407-6181 Ext.:  
 Type of Financing: Conventional Perm Loan  
 Is the Lender/Source Committed? Yes

3) Lender/Source: Seller Note  
 Street Address: 1355 Third Avenue  
 City: Chula Vista  
 Contact Name: Arnulfo Manriquez  
 Phone Number: (619) 426-3595 Ext.: 1556  
 Type of Financing: Seller Carry Back Loan  
 Is the Lender/Source Committed? Yes

4) Lender/Source: Deferred Developer Fee  
 Street Address: 1355 Third Ave  
 City: Chula Vista  
 Contact Name: Arnulfo Manriquez  
 Phone Number: (619) 426-3595 Ext.: 1556  
 Type of Financing: Deferred Dev. Fee  
 Is the Lender/Source Committed? Yes

5) Lender/Source: GP Contribution of Developer Fee  
 Street Address: 1355 Third Avenue  
 City: Chula Vista  
 Contact Name: Arnulfo Manriquez  
 Phone Number: (619) 426-3595 Ext.:  
 Type of Financing:  
 Is the Lender/Source Committed? Yes

6) Lender/Source: Income from Operations  
 Street Address: 1355 Third Avenue  
 City: Chula Vista  
 Contact Name: Arnulfo Manriquez  
 Phone Number: (619) 426-3595 Ext.:  
 Type of Financing:  
 Is the Lender/Source Committed? Yes

7) Lender/Source: Residual Receipt Loans Accrued Inter  
 Street Address: 1355 Third Avenue  
 City: Chula Vista  
 Contact Name: Arnulfo Manriquez  
 Phone Number: (619) 426-3595 Ext.:  
 Type of Financing:  
 Is the Lender/Source Committed? No

8) Lender/Source:  
 Street Address:  
 City:  
 Contact Name:  
 Phone Number: Ext.:  
 Type of Financing:  
 Is the Lender/Source Committed? No

9) Lender/Source:  
 Street Address:  
 City:  
 Contact Name:  
 Phone Number: Ext.:  
 Type of Financing:  
 Is the Lender/Source Committed? No

10) Lender/Source:  
 Street Address:  
 City:  
 Contact Name:  
 Phone Number: Ext.:  
 Type of Financing:  
 Is the Lender/Source Committed? No

11) Lender/Source:  
 Street Address:  
 City:  
 Contact Name:  
 Phone Number: Ext.:  
 Type of Financing:  
 Is the Lender/Source Committed? No

12) Lender/Source:  
 Street Address:  
 City:  
 Contact Name:  
 Phone Number: Ext.:  
 Type of Financing:  
 Is the Lender/Source Committed? No

## B. Tax-Exempt Bond Financing

Will project receive tax-exempt bond financing for more than 50% of the aggregate basis of the building(s) (including land) in the project? (IRC Sec. 42(h)(4)):

Yes

CDLAC Allocation?

Yes

Date application was submitted to CDLAC (Reg. Section 10326(h)):

6/11/2020

Date of CDLAC application approval, actual or anticipated (Reg. Section 10326(j)(1)):

9/16/2020

Estimated date of Bond Issuance (Reg. Section 10326(e)(2)):

12/10/2019

Percentage of aggregate basis financed by the bonds? (Reg. Section 10326(e)(2)):

53.95%

Name of Bond Issuer (Reg. Section 10326(e)(1)):

San Diego Housing Commission

Will project have Credit Enhancement?

No

If Yes, identify the entity providing the Credit Enhancement:

Contact Person:

Phone:

Ext.:

What type of enhancement is being provided?

(select one)

(specify here)

### III. PROJECT FINANCING - SECTION 3: INCOME INFORMATION

#### A. Low Income Units

(a) Bedroom Type(s)	(b) Number of Units	(c) Proposed Monthly Rent (Less Utilities)	(d) Total Monthly Rents (b x c)	(e) Monthly Utility	(f) Monthly Rent Plus Utilities (c + e)	(g) % of Area Median Income	(h) % of Actual AMI
1 Bedroom	11	\$1,052	\$11,572	\$60	\$1,112	60%	51.3%
1 Bedroom	7	\$698	\$4,886	\$60	\$758	35%	35.0%
2 Bedrooms	37	\$1,174	\$43,438	\$78	\$1,252	60%	48.2%
2 Bedrooms	2	\$965	\$1,930	\$78	\$1,043	50%	40.1%
2 Bedrooms	21	\$832	\$17,472	\$78	\$910	35%	35.0%
3 Bedrooms	33	\$1,295	\$42,735	\$96	\$1,391	60%	46.3%
3 Bedrooms	3	\$1,063	\$3,189	\$96	\$1,159	50%	38.6%
3 Bedrooms	28	\$955	\$26,740	\$96	\$1,051	35%	35.0%
<b>Total # Units:</b>	142	<b>Total:</b>	\$151,962		<b>Average:</b>	49.8%	

Is this a resyndication project using hold harmless rent limits in the above table?  
 These rents cannot exceed the federal set-aside current tax credit rent limits.  
 See TCAC Regulation Section 10327(g)(8).

No

**B. Manager Units**

State law requires an onsite manager's unit for projects with 16 or more residential units. TCAC Regulation Section 10326(g)(6) requires projects with at least 161 units to provide a second on-site manager's unit, with one additional for each 80 units beyond, up to 4 on-site manager units. Scattered site projects of 16 or more units must have at least one manager unit at each site consisting of 16 or more residential units.

Projects may employ full-time property management staff and provide an equivalent number of desk or security staff for the hours when the property management staff are not working. See TCAC Regulation Section 10325(f)(7)(J) for details on the requirements for this option.

(a) Bedroom Type(s)	(b) Number of Units	(c) Proposed Monthly Rent (Less Utilities)	(d) Total Monthly Rents (b x c)
3 Bedrooms	2		
<b>Total # Units:</b>	2	<b>Total:</b>	

No

Project with desk or security staff in lieu of on-site manager unit(s)  
See TCAC Regulation Section 10325(f)(7)(J) for complete requirements.

**C. Market Rate Units**

(a) Bedroom Type(s)	(b) Number of Units	(c) Proposed Monthly Rent (Less Utilities)	(d) Total Monthly Rents (b x c)
<b>Total # Units:</b>		<b>Total:</b>	

<b>Aggregate Monthly Rents For All Units:</b>	\$151,962
<b>Aggregate Annual Rents For All Units:</b>	\$1,823,544

**D. Rental Subsidy Income/Operating Subsidy**  
Complete spreadsheet "Subsidy Contract Calculation"

Number of Units Receiving Assistance:	
Length of Contract (years):	
Expiration Date of Contract:	
<b>Total Projected Annual Rental Subsidy:</b>	

**E. Miscellaneous Income**

Annual Income from Laundry Facilities:	\$27,648
Annual Income from Vending Machines:	
Annual Interest Income:	
Other Annual Income: Application fees, late fees	\$6,912
<b>Total Miscellaneous Income:</b>	\$34,560
<b>Total Annual Potential Gross Income:</b>	\$1,858,104

**F. Monthly Resident Utility Allowance by Unit Size**

(utility allowances must be itemized and must agree with the applicable utility allowance schedule)

	SRO / STUDIO	1 BR	2 BR	3 BR	4 BR	( ) BR
Space Heating:		\$20	\$23	\$26		
Water Heating:						
Cooking:		\$7	\$9	\$11		
Lighting:						
Electricity:		\$33	\$46	\$59		
Water:*						
Other: (specify here)						
<b>Total:</b>		\$60	\$78	\$96		

**\*PROJECTS PROPOSING UNITS WITH INDIVIDUAL WATER METERS MUST INCLUDE A WATER ALLOWANCE.**

**Name of PHA or California Energy Commission Providing Utility Allowances:**

San Diego Housing Commission

See Regulation Section 10322(h)(21) for type of projects that are allowed to use CUAC.

**G. Annual Residential Operating Expenses****Administrative**

Advertising:	\$6,500
Legal:	\$10,000
Accounting/Audit:	\$15,000
Security:	\$40,000
Other:	\$12,000
<b>Total Administrative:</b>	\$83,500

**Management**

<b>Total Management:</b>	\$82,944
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**Utilities**

Fuel:	
Gas:	\$80,000
Electricity:	\$118,000
Water/Sewer:	\$149,000
<b>Total Utilities:</b>	\$347,000

**Payroll /  
Payroll Taxes**

On-site Manager:	\$85,000
Maintenance Personnel:	\$70,000
Other: Benefits	\$70,000
<b>Total Payroll / Payroll Taxes:</b>	\$225,000
<b>Total Insurance:</b>	\$10,000

**Maintenance**

Painting:	\$14,122
Repairs:	\$18,575
Trash Removal:	\$34,718
Exterminating:	\$7,500
Grounds:	\$12,500
Elevator:	\$9,800
Other: equipment and supplies	\$11,141
<b>Total Maintenance:</b>	<b>\$108,356</b>

**Other Operating Expenses**

Other: (specify here)	
Other: (specify here)	
Other: (specify here)	
Other: (specify here)	
Other: (specify here)	
<b>Total Other Expenses:</b>	

**Total Expenses**

<b>Total Annual Residential Operating Expenses:</b>	<b>\$856,800</b>
<b>Total Number of Units in the Project:</b>	<b>144</b>
<b>Total Annual Operating Expenses Per Unit:</b>	<b>\$5,950</b>
<b>Total 3-Month Operating Reserve:</b>	<b>\$397,375</b>
<b>Total Annual Transit Pass / Internet Expense (site amenity election):</b>	
<b>Total Annual Services Amenities Budget (from project expenses):</b>	<b>\$36,000</b>
<b>Total Annual Reserve for Replacement:</b>	<b>\$43,200</b>
<b>Total Annual Real Estate Taxes:</b>	
<b>Issuer and Monitoring Fee</b>	<b>\$23,419</b>
<b>Other (Specify):</b>	

**H. Commercial Income\***

Total Annual Commercial/Non-Residential Revenue:	
Total Annual Commercial/Non-Residential Expenses:	
Total Annual Commercial/Non-Residential Debt Service:	
<b>Total Annual Commercial/Non-Residential Net Income:</b>	

\*The Sources and Uses Budget must separately detail apportioned amounts for residential and commercial space. Separate cash flow projections shall be provided for residential and commercial space. Income from the residential portion of a project shall not be used to support any negative cash flow of a commercial portion, and commercial income should not support the residential portion (Sections 10322(h)(15), (23); 10327(g)(7)).

### III. PROJECT FINANCING - SECTION 4: LOAN AND GRANT SUBSIDIES

#### A. Inclusion/Exclusion From Eligible Basis

Funding Sources If lender is not funding source, list source (HOME, CDBG, etc.) <b>NOT</b> lender.		Included in Eligible Basis Yes/No	Amount
Tax-Exempt Financing		Yes	\$23,123,784
Taxable Bond Financing		N/A	
HOME Investment Partnership Act (HOME)		N/A	
Community Development Block Grant (CDBG)		N/A	
RHS 514		N/A	
RHS 515		N/A	
RHS 516		N/A	
RHS 538		N/A	
HOPE VI		N/A	
McKinney-Vento Homeless Assistance Program		N/A	
MIP		N/A	
MHSA		N/A	
MHP		N/A	
National Housing Trust Fund (HTF)		N/A	
Qualified Opportunity Zone Investment		N/A	
FHA Risk Sharing loan?	No	N/A	
State:	(specify here)	N/A	
Local:	(specify here)	N/A	
Other:	(specify here)	N/A	
Other:	(specify here)	N/A	

#### B. Rental Subsidy Anticipated

Indicate By Percent Of Units Affected, Any Rental Subsidy Expected To Be Available To The Project.

Approval Date:		Approval Date:	
Source:		Source:	
If Section 8:	(select one)	If Section 8:	(select one)
Percentage:		Percentage:	
Units Subsidized:		Units Subsidized:	
Amount Per Year:		Amount Per Year:	
Total Subsidy:		Total Subsidy:	
Term:		Term:	

#### C. Pre-Existing Subsidies (Acq./Rehab. or Rehab-Only projects)

Indicate The Subsidy Amount For Any Of The Following Currently Utilized By The Project.

Sec 221(d)(3) BMIR:		RHS 514:	
HUD Sec 236:		RHS 515:	
If Section 236, IRP?	N/A	RHS 521 (rent subsidy):	
RHS 538:		State / Local:	
HUD Section 8:		Rent Sup / RAP:	
If Section 8:	(select one)		
HUD SHP:			
Will the subsidy continue?:	No	Other:	(specify here)
If yes enter amount:		Other amount:	

### III. PROJECT FINANCING - SECTION 5: THRESHOLD BASIS LIMIT

#### A. Threshold Basis Limit

Unit Size	Unit Basis Limit	No. of Units	(Basis) X (No. of Units)
SRO/STUDIO	\$255,964		
1 Bedroom	\$295,124	18	\$5,312,232
2 Bedrooms	\$356,000	60	\$21,360,000
3 Bedrooms	\$455,680	66	\$30,074,880
4+ Bedrooms	\$507,656		
<b>TOTAL UNITS:</b>		144	
<b>TOTAL UNADJUSTED THRESHOLD BASIS LIMIT:</b>			<b>\$56,747,112</b>
		<b>Yes/No</b>	
<b>(a) Plus (+) 20% basis adjustment - Prevailing Wages</b> Adjustment for projects paid in whole or part out of public funds subject to a legal requirement for the payment of state or federal prevailing wages or financed in part by a labor-affiliated organization requiring the employment of construction workers who are paid at least state or federal prevailing wages. List source(s) or labor-affiliated organization(s):		No	
<b>Plus (+) 5% basis adjustment</b> For projects that certify that (1) they are subject to a project labor agreement within the meaning of Section 2500(b)(1) of the Public Contract Code, or (2) they will use a skilled and trained workforce as defined by Section 25536.7 of the Health and Safety Code to perform all onsite work within an apprenticeable occupation in the building and construction trades.		No	
<b>(b) Plus (+) 7% basis adjustment - Parking (New Construction)</b> For new construction projects required to provide parking beneath residential units (not "tuck under" parking) or through construction of an on-site parking structure of two or more levels.		No	
<b>(c) Plus (+) 2% basis adjustment - Daycare</b> For projects where a day care center is part of the development.		Yes	\$1,134,942
<b>(d) Plus (+) 2% basis adjustment - 100% Special Needs</b> For projects where 100 percent of the Low-Income Units are for Special Needs populations.		No	
<b>(e) Plus (+) up to 10% basis adjustment - ITEM (e) Features</b> For projects applying under Section 10325 or Section 10326 of these regulations that include one or more of the energy efficiency/resource conservation/indoor air quality items		No	
<b>(f) Plus (+) the lesser of the associated costs or up to a 15% basis adjustment - Seismic upgrading / Environmental mitigation</b> For projects requiring seismic upgrading of existing structures, and/or on-site toxic or other environmental mitigation as certified by the project architect or seismic engineer. If Yes, select type: N/A		No	



(g)	<b>Plus (+) Local Development Impact Fees</b> Local development impact fees required to be paid to local government entities. Certification from local entities assessing fees also required. <b>WAIVED IMPACT FEES ARE INELIGIBLE.</b>	<input type="text" value="No"/>	
(h)	<b>Plus (+) 10% basis adjustment - Elevator</b> For projects wherein at least 95% of the project's upper floor units are serviced by an elevator.	<input type="text" value="No"/>	
(i)	<b>Plus (+) 10% basis adjustment - High Opportunity Area</b> For a project that is: (i) in a county that has an unadjusted 9% threshold basis limit for a 2-bedroom unit equal to or less than \$400,000; AND (ii) located in a census tract designated on the TCAC/HCD Opportunity Area Map as Highest or High Resource.	<input type="text" value="No"/>	
(j)	<b>Plus (+) 1% basis adjustment - 50%AMI to 36%AMI Units</b> For each 1% of project's Low-Income and Market Rate Units restricted between 36% and 50% of AMI. Rental Units: <input type="text" value="142"/> Total Rental Units @ 50% to 36% of AMI: <input type="text" value="5"/>	<input type="text" value="Yes"/>	\$1,702,413
(k)	<b>Plus (+) 2% basis adjustment - At or below 35%AMI Units.</b> For each 1% of project's Low-Income and Market Rate Units restricted at or below 35% of AMI. Rental Units: <input type="text" value="142"/> Total Rental Units @ 35% of AMI or Below: <input type="text" value="56"/>	<input type="text" value="Yes"/>	\$44,262,747
<b>TOTAL ADJUSTED THRESHOLD BASIS LIMIT:</b>			<b>\$103,847,215</b>

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**ITEM (e) Features**

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**REVIEW REGULATION SECTION 10327(c)(5)(B) PRIOR TO COMPLETING THIS SECTION.  
THE OPTIONS BELOW ARE PRESENTED WITH ABRIDGED LANGUAGE.**

- N/A** 1 Project shall have onsite renewable generation estimated to produce 50% or more of annual tenant electricity use. If combined available roof area is insufficient, project shall have onsite renewable generation based on at least 90% of the available solar accessible roof area. A project not availing itself of the 90% roof area exception may also receive an increase under paragraph (2) only if the renewable generation used to calculate each basis increase does not overlap. Threshold Basis Limit increase of 5%.
- N/A** 2 Project shall have onsite renewable generation estimated to produce 75% or more of annual common area electricity use. If combined available roof area is insufficient, project shall have onsite renewable generation based on at least 90% of the available solar accessible roof area. A project not availing itself of the 90% roof area exception may also receive an increase under paragraph (1) only if the renewable generation used to calculate each basis increase does not overlap. Threshold Basis Limit increase of 2%.
- N/A** 3 Newly constructed project buildings shall be more energy efficient than 2019 Energy Efficiency Standards (CA Code of Regulations, Title 24, Part 6) by at least 5, EDR points for energy efficiency alone (not counting solar); except that if the local department has determined that building permit applications submitted on or before December 31, 2019 are complete, then newly constructed project buildings shall be 15% or more energy efficiency than the 2016 Energy Efficiency Standards (CA Code of Regulations, Title 24, Part 6). Threshold Basis Limit increase of 4%.
- N/A** 4 Rehabilitated project buildings shall have an 80% decrease in estimated annual energy use (or improvement in energy efficiency) in the HERS II post rehabilitation. Threshold Basis Limit increase 4%.
- N/A** 5 Irrigate only with reclaimed water, greywater, or rainwater (excluding water used for community gardens), or irrigate with reclaimed water, greywater, or rainwater in an amount that annually equals or exceeds 20,000 gallons or 300 gallons per unit, whichever is less.  
Threshold Basis Limit increase 1%.
- N/A** 6 Community gardens of at least 60 square feet per unit. Permanent site improvements that provide a viable growing space within the project. Threshold Basis Limit increase 1%.
- N/A** 7 Install bamboo, stained concrete, cork, salvaged or FSC-Certified wood, natural linoleum, natural rubber, or ceramic tile in all kitchens, living rooms, and bathrooms (where no VOC adhesives or backing is also used). Threshold Basis Limit increase 1%.
- N/A** 8 Install bamboo, stained concrete, cork, salvaged or FSC-Certified wood, natural linoleum, natural rubber, or ceramic tile in all interior floor space other than units (where no VOC adhesives or backing is also used). Threshold Basis Limit increase 2%.
- N/A** 9 For new construction projects only, meet all requirements of the U.S. Environmental Protection Agency Indoor Air Plus Program. Threshold Basis Limit increase 2%.

IV. SOURCES AND USES BUDGET - SECTION 1: SOURCES AND USES BUDGET					Permanent Sources														
	TOTAL PROJECT COST	RES. COST	COM'L. COST	TAX CREDIT EQUITY	1)CBT-Tax Exempt Permanent Loan	2)CBT- Taxable Permanent Loan	3)Seller Note	4)Deferred Developer Fee	5)GP Contribution of Developer Fee	6)Income from Operations	7)Residual Receipt Loans Accrued Interest	8)	9)	10)	11)	12)	SUBTOTAL	30% PVC for New Const/Rehab	30% PVC for Acquisition
LAND COST/ACQUISITION																			
Land Cost or Value	\$2,330,000	\$2,330,000					\$2,330,000										\$2,330,000		
Demolition																			
Legal	\$5,000	\$5,000			\$5,000												\$5,000		
Land Lease Rent Prepayment																			
Total Land Cost or Value	\$2,335,000	\$2,335,000			\$5,000		\$2,330,000										\$2,335,000		
Existing Improvements Value	\$20,860,000	\$20,860,000			\$5,410,000	\$5,410,000	\$10,040,000										\$20,860,000		\$20,860,000
Off-Site Improvements																			
Total Acquisition Cost	\$20,860,000	\$20,860,000			\$5,410,000	\$5,410,000	\$10,040,000										\$20,860,000		\$20,860,000
Total Land Cost / Acquisition Cost	\$23,195,000	\$23,195,000			\$5,415,000	\$5,410,000	\$12,370,000										\$23,195,000		
Predevelopment Interest/Holding Cost																			
Assumed, Accrued Interest on Existing Debt (Rehab/Acq)																			
Excess Purchase Price Over Appraisal																			
REHABILITATION																			
Site Work																			
Structures	\$8,640,000	\$8,640,000		\$8,640,000													\$8,640,000	\$8,640,000	
General Requirements	\$518,400	\$518,400				\$518,400											\$518,400	\$518,400	
Contractor Overhead	\$183,168	\$183,168			\$183,168												\$183,168	\$183,168	
Contractor Profit	\$549,504	\$549,504				\$549,504											\$549,504	\$549,504	
Prevailing Wages																			
General Liability Insurance																			
Other: (Specify)																			
Total Rehabilitation Costs	\$9,891,072	\$9,891,072		\$8,640,000	\$183,168	\$1,067,904											\$9,891,072	\$9,891,072	
Total Relocation Expenses	\$900,000	\$900,000		\$900,000													\$900,000	\$900,000	
NEW CONSTRUCTION																			
Site Work																			
Structures																			
General Requirements																			
Contractor Overhead																			
Contractor Profit																			
Prevailing Wages																			
General Liability Insurance																			
Other: (Specify)																			
Total New Construction Costs																			
ARCHITECTURAL FEES																			
Design	\$180,000	\$180,000								\$136,096	\$43,904						\$180,000	\$180,000	
Supervision																			
Total Architectural Costs	\$180,000	\$180,000								\$136,096	\$43,904						\$180,000	\$180,000	
Total Survey & Engineering	\$25,000	\$25,000				\$25,000											\$25,000	\$25,000	
CONSTRUCTION INTEREST & FEES																			
Construction Loan Interest	\$725,960	\$725,960		\$725,960													\$725,960	\$543,566	
Origination Fee	\$231,238	\$231,238		\$231,238													\$231,238	\$231,238	
Credit Enhancement/Application Fee																			
Bond Premium																			
Cost of Issuance																			
Title & Recording	\$25,000	\$25,000		\$25,000													\$25,000	\$25,000	
Taxes	\$2,500	\$2,500		\$2,500													\$2,500	\$2,500	
Insurance	\$35,000	\$35,000		\$35,000													\$35,000	\$35,000	
C Bond Loan Interest	\$927,750	\$927,750				\$815,031					\$112,719						\$927,750	\$618,500	
Lender Inspection Fees	\$30,000	\$30,000		\$30,000													\$30,000	\$30,000	
Total Construction Interest & Fees	\$1,977,448	\$1,977,448		\$1,049,698		\$815,031					\$112,719						\$1,977,448	\$1,485,804	
PERMANENT FINANCING																			
Loan Origination Fee	\$15,000	\$15,000				\$15,000											\$15,000		
Credit Enhancement/Application Fee																			
Title & Recording	\$7,500	\$7,500				\$7,500											\$7,500		
Taxes																			
Insurance																			
Issuer Fee	\$5,781	\$5,781				\$5,781											\$5,781		
Other: (Specify)																			
Total Permanent Financing Costs	\$28,281	\$28,281				\$28,281											\$28,281		
Subtotals Forward	\$36,196,801	\$36,196,801		\$10,589,698	\$5,598,168	\$7,346,216	\$12,370,000			\$136,096	\$156,623						\$36,196,801	\$12,481,876	\$20,860,000
LEGAL FEES																			
Lender Legal Paid by Applicant	\$150,000	\$150,000		\$150,000													\$150,000	\$150,000	
Perm, Org, and Bond legal	\$107,500	\$107,500									\$107,500						\$107,500		
Total Attorney Costs	\$257,500	\$257,500		\$150,000							\$107,500						\$257,500	\$150,000	

IV. SOURCES AND USES BUDGET - SECTION 1: SOURCES AND USES BUDGET					Permanent Sources														
	TOTAL PROJECT COST	RES. COST	COM'L. COST	TAX CREDIT EQUITY	1)CBT-Tax Exempt Permanent Loan	2)CBT-Taxable Permanent Loan	3)Seller Note	4)Deferred Developer Fee	5)GP Contribution of Developer Fee	6)Income from Operations	7)Residual Receipt Loans Accrued Interest	8)	9)	10)	11)	12)	SUBTOTAL	30% PVC for New Const/Rehab	30% PVC for Acquisition
RESERVES																			
Rent Reserves																			
Capitalized Rent Reserves																			
Required Capitalized Replacement Reserve																			
3-Month Operating Reserve																			
Operating Reserves	\$827,701	\$827,701			\$312,115	\$515,586											\$827,701		
Total Reserve Costs	\$827,701	\$827,701			\$312,115	\$515,586											\$827,701		
CONTINGENCY COSTS																			
Construction Hard Cost Contingency	\$989,107	\$989,107		\$989,107													\$989,107	\$989,107	
Soft Cost Contingency	\$137,976			\$137,976													\$137,976	\$137,976	
Total Contingency Costs	\$1,127,083	\$1,127,083		\$1,127,083													\$1,127,083	\$1,127,083	
OTHER PROJECT COSTS																			
TCAC App/Allocation/Monitoring Fees	\$74,423	\$74,423									\$74,423						\$74,423		
Environmental Audit	\$20,000	\$20,000		\$20,000													\$20,000	\$20,000	
Local Development Impact Fees	\$55,000	\$55,000									\$55,000						\$55,000	\$55,000	
Permit Processing Fees	\$55,000	\$55,000									\$55,000						\$55,000	\$55,000	
Capital Fees																			
Marketing	\$23,000	\$23,000								\$23,000							\$23,000		
Furnishings	\$45,000	\$45,000								\$45,000							\$45,000		
Market Study	\$10,000	\$10,000		\$10,000													\$10,000	\$5,000	
Accounting/Reimbursables																			
Appraisal Costs	\$10,000	\$10,000		\$10,000													\$10,000	\$10,000	
Construction Management, Testing and other	\$157,500	\$157,500		\$157,500													\$157,500	\$157,500	
Construction: Accounting & Admin	\$320,000	\$320,000		\$320,000													\$320,000	\$320,000	
Physical Needs Assessment																			
Accounting Admin and Finance and Final Cost Audit	\$65,000	\$65,000									\$65,000						\$65,000		
Relocation Plan and Consulting	\$65,000	\$65,000		\$65,000													\$65,000		
Total Other Costs	\$899,923	\$899,923		\$582,500						\$68,000	\$249,423						\$899,923	\$622,500	
SUBTOTAL PROJECT COST	\$39,309,009	\$39,309,009		\$12,449,281	\$5,910,283	\$7,861,802	\$12,370,000			\$204,096	\$513,546						\$39,309,009	\$14,381,459	\$20,860,000
DEVELOPER COSTS																			
Developer Overhead/Profit	\$5,286,219	\$5,286,219		\$614,050	\$782,373			\$1,785,221	\$600,000	\$1,090,372	\$414,203						\$5,286,219	\$2,157,219	\$3,129,000
Consultant/Processing Agent																			
Project Administration																			
Broker Fees Paid to a Related Party																			
Construction Oversight by Developer																			
Other: (Specify)																			
Total Developer Costs	\$5,286,219	\$5,286,219		\$614,050	\$782,373			\$1,785,221	\$600,000	\$1,090,372	\$414,203						\$5,286,219	\$2,157,219	\$3,129,000
TOTAL PROJECT COSTS	\$44,595,228	\$44,595,228		\$13,063,331	\$6,692,656	\$7,861,802	\$12,370,000	\$1,785,221	\$600,000	\$1,294,468	\$927,750						\$44,595,228	\$16,538,678	\$23,989,000
Note: Syndication Costs shall NOT be included as a project cost.																			
Calculate Maximum Developer Fee using the eligible basis subtotals.																			
Bridge Loan Expense During Construction:																			
Total Eligible Basis:																		\$16,538,678	\$23,989,000

Funding sources and costs should be aligned appropriately. For example, public funding sources for land purchase or construction costs should be shown as paying for these costs. Do not randomly select funding sources for line item costs if they have a dedicated source of payment.

Required: evidence of land value (see Tab 1). Land value must be included in Total Project Cost and Sources and Uses Budget (includes donated or leased land). Except for non-competitive projects with donated land, TCAC will not accept a budget with a nominal land value. Please refer to the TCAC website for additional information and guidance.

Note: The conditional formatting embedded in this Sources and Uses Budget workbook tests only for mathematical errors, i.e. whether sum total of Sources (Column R) matches Total Project Cost (Column B) and whether each source listed in the Sources and Uses Budget workbook (Row 105) matches that of Permanent Financing in the Application workbook (Row 108). The conditional formatting does NOT test for any regulatory threshold or feasibility requirements. Applicants are advised to conduct their own due diligence and not rely upon the conditional formatting in this workbook.

FOR PLACED IN SERVICE APPLICATION SUBMISSIONS:

SYNDICATION (Investor & General Partner)

Organizational Fee

Bridge Loan Fees/Exp.

Legal Fees

Consultant Fees

Accountant Fees

Tax Opinion

Other

Total Syndication Costs

CERTIFICATION BY OWNER:

As owner(s) of the above-referenced low-income housing project, I certify under penalty of perjury, that the project costs contained herein are, to the best of my knowledge, accurate and actual costs associated with the construction, acquisition and/or rehabilitation of this project and that the sources of funds shown are the only funds received by the Partnership for the development of the project. I authorize the California Tax Credit Allocation Committee to utilize this information to calculate the low-income housing tax credit.

Signature of Owner/General Partner

Printed Name of Signatory

Date

Title of Signatory

CERTIFICATION OF CPA/TAX PROFESSIONAL:

As the tax professional for the above-referenced low-income housing project, I certify under penalty of perjury, that the percentage of aggregate basis financed by tax-exempt bonds is:

Signature of Project CPA/Tax Professional

Date

## V. BASIS AND CREDITS : 4% FEDERAL AND STATE CREDIT

### V. BASIS AND CREDITS : 4% FEDERAL AND STATE CREDIT

#### A. Determination of Eligible and Qualified Basis

Projects w/ building(s) located in DDA/QCT areas & Non-DDA/Non-QCT areas, bifurcate accordingly.

	30% PVC for New Const/ Rehabilitation DDA/QCT Building(s)	30% PVC for New Const/ Rehabilitation NON-DDA/ NON-QCT Building(s)	30% PVC for Acquisition DDA/QCT Building(s)	30% PVC for Acquisition NON-DDA/ NON-QCT Building(s)
<b>Total Eligible Basis:</b>	\$16,538,678		\$23,989,000	
<b>Ineligible Amounts</b>				
Subtract All Grant Proceeds Used to Finance Costs in Eligible Basis:				
Subtract Non-Qualified Non-Recourse Financing:				
Subtract Non-Qualifying Portion of Higher Quality Units:				
Subtract Photovoltaic Credit (as applicable):				
Subtract Historic Credit (residential portion only):				
Subtract (specify other ineligible amounts):				
Subtract (specify other ineligible amounts):				
<b>Total Ineligible Amounts:</b>				
<b>*Total Eligible Basis Amount Voluntarily Excluded:</b>				
<b>Total Basis Reduction:</b>				
<b>Total Requested Unadjusted Eligible Basis:</b>	\$16,538,678		\$23,989,000	
<b>Total Adjusted Threshold Basis Limit:</b>	\$103,847,215			
<b>**QCT or DDA Adjustment:</b>	130%	100%	100%	100%
<b>Total Adjusted Eligible Basis:</b>	\$21,500,282		\$23,989,000	
Applicable Fraction:	100%	100%	100%	100%
<b>Qualified Basis:</b>	\$21,500,282		\$23,989,000	
<b>Total Qualified Basis:</b>	\$45,489,282			

\*Voluntary exclusions of eligible basis should be made from rehabilitation eligible basis.

\*\*130% boost if the building(s) is/are located in a DDA or QCT, or Reg. Section 10317(d) as applicable.

(Boost is auto calculated from your selection in: II. APPLICATION - SECTION 2: GENERAL AND SUMMARY INFORMATION - B)

#### B. Determination of Federal Credit

	New Const/ Rehab	Acquisition
<b>Qualified Basis:</b>	\$21,500,282	\$23,989,000
<b>***Applicable Percentage:</b>	3.24%	3.24%
<b>Subtotal Annual Federal Credit:</b>	\$696,609	\$777,244
<b>Total Combined Annual Federal Credit:</b>	\$1,473,853	

\*\*\*Applicants are required to use these percentages in calculating credit at the application stage.

## Federal Credit

### C. Determination of Minimum Federal Credit Necessary For Feasibility

Total Project Cost	\$44,595,228
Permanent Financing	\$31,531,897
Funding Gap	\$13,063,331
Federal Tax Credit Factor	\$0.95200

Federal tax credit factor must be at least \$1.00 for self-syndication projects or at least \$0.85 for all other projects.

Total Credits Necessary for Feasibility	\$13,721,986
Annual Federal Credit Necessary for Feasibility	\$1,372,199
Maximum Annual Federal Credits	\$1,372,199
Equity Raised From Federal Credit	\$13,063,331

Remaining Funding Gap	\$0
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## \$500M State Credit

### D. Determination of State Credit

#### State Credit Basis

New construction or rehabilitation basis only;  
No acquisition basis except for At-Risk projects eligible for State Credit

#### Factor Amount

#### Maximum Total State Credit

NC/Rehab	Acquisition
30%	30%
	\$0

### E. Determination of Minimum State Credit Necessary for Feasibility

#### State Tax Credit Factor

State tax credit factor must be at least \$0.80 for "certified" state credits; at least \$0.79 for self-syndication projects; or at least \$0.70 for all other projects.

#### State Credit Necessary for Feasibility

#### Maximum State Credit

#### Equity Raised from State Credit

#### Remaining Funding Gap

\$0

## Ranking - \$500M State Credit Applications

### F. Ranking System for \$500M State Credit Applications

#### State Tax Credit per Tax Credit Unit

#### Tax Credit Unit per State Tax Credit

#DIV/0!

15 YEAR PROJECT CASH FLOW PROJECTIONS - Refer to TCAC Regulation Sections 10322(h)(22), 10325(f)(5), 10326(g)(4), 10327(f) and (g).

REVENUE	MULTIPLIER	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	YEAR 11	YEAR 12	YEAR 13	YEAR 14	YEAR 15
Gross Rent	1.025	\$1,823,544	\$1,869,133	\$1,915,861	\$1,963,757	\$2,012,851	\$2,063,173	\$2,114,752	\$2,167,621	\$2,221,811	\$2,277,357	\$2,334,290	\$2,392,648	\$2,452,464	\$2,513,776	\$2,576,620
Less Vacancy	5.00%	-91,177	-93,457	-95,793	-98,188	-100,643	-103,159	-105,738	-108,381	-111,091	-113,868	-116,715	-119,632	-122,623	-125,689	-128,831
Rental Subsidy	1.025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Less Vacancy	5.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Miscellaneous Income	1.025	34,560	35,424	36,310	37,217	38,148	39,101	40,079	41,081	42,108	43,161	44,240	45,346	46,479	47,641	48,832
Less Vacancy	5.00%	-1,728	-1,771	-1,815	-1,861	-1,907	-1,955	-2,004	-2,054	-2,105	-2,158	-2,212	-2,267	-2,324	-2,382	-2,442
Total Revenue		\$1,765,199	\$1,809,329	\$1,854,562	\$1,900,926	\$1,948,449	\$1,997,160	\$2,047,089	\$2,098,267	\$2,150,723	\$2,204,491	\$2,259,604	\$2,316,094	\$2,373,996	\$2,433,346	\$2,494,180
EXPENSES																
Operating Expenses:	1.035															
Administrative		\$83,500	\$86,423	\$89,447	\$92,578	\$95,818	\$99,172	\$102,643	\$106,235	\$109,954	\$113,802	\$117,785	\$121,907	\$126,174	\$130,590	\$135,161
Management		82,944	85,847	88,852	91,961	95,180	98,511	101,959	105,528	109,221	113,044	117,001	121,096	125,334	129,721	134,261
Utilities		347,000	359,145	371,715	384,725	398,190	412,127	426,552	441,481	456,933	472,925	489,478	506,609	524,341	542,693	561,687
Payroll & Payroll Taxes		225,000	232,875	241,026	249,462	258,193	267,229	276,582	286,263	296,282	306,652	317,385	328,493	339,990	351,890	364,206
Insurance		10,000	10,350	10,712	11,087	11,475	11,877	12,293	12,723	13,168	13,629	14,106	14,600	15,111	15,640	16,187
Maintenance		108,356	112,148	116,074	120,136	124,341	128,693	133,197	137,859	142,684	147,678	152,847	158,196	163,733	169,464	175,395
Other Operating Expenses (specify):		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Operating Expenses		\$856,800	\$886,788	\$917,826	\$949,949	\$983,198	\$1,017,610	\$1,053,226	\$1,090,089	\$1,128,242	\$1,167,730	\$1,208,601	\$1,250,902	\$1,294,684	\$1,339,998	\$1,386,897
Transit Pass/Tenant Internet Expen	1.035	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Service Amenities	1.035	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replacement Reserve	1.035	43,200	44,712	46,277	47,897	49,573	51,308	53,104	54,962	56,886	58,877	60,938	63,071	65,278	67,563	69,928
Real Estate Taxes	1.020	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Issuer and Monitoring Fee	1.035	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (Specify):	1.035	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Expenses		\$900,000	\$931,500	\$964,103	\$997,846	\$1,032,771	\$1,068,918	\$1,106,330	\$1,145,051	\$1,185,128	\$1,226,608	\$1,269,539	\$1,313,973	\$1,359,962	\$1,407,560	\$1,456,825
Cash Flow Prior to Debt Service		\$865,199	\$877,829	\$890,459	\$903,080	\$915,678	\$928,243	\$940,760	\$953,215	\$965,595	\$977,884	\$990,065	\$1,002,121	\$1,014,034	\$1,025,786	\$1,037,355
MUST PAY DEBT SERVICE																
CBT-Tax Exempt Permanent Loan		731,982	731,982	731,982	731,982	731,982	731,982	731,982	731,982	731,982	731,982	731,982	731,982	731,982	731,982	731,982
			0	0	0	0	0	0	0	0	0	0	0	0	0	0
			0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Debt Service		\$731,982	\$731,982	\$731,982	\$731,982	\$731,982	\$731,982	\$731,982	\$731,982	\$731,982	\$731,982	\$731,982	\$731,982	\$731,982	\$731,982	\$731,982
Cash Flow After Debt Service		\$133,217	\$145,847	\$158,477	\$171,098	\$183,696	\$196,261	\$208,778	\$221,233	\$233,613	\$245,902	\$258,083	\$270,139	\$282,052	\$293,804	\$305,373
Percent of Gross Revenue		7.17%	7.66%	8.12%	8.55%	8.96%	9.34%	9.69%	10.02%	10.32%	10.60%	10.85%	11.08%	11.29%	11.47%	11.63%
25% Debt Service Test		18.20%	19.92%	21.65%	23.37%	25.10%	26.81%	28.52%	30.22%	31.92%	33.59%	35.26%	36.91%	38.53%	40.14%	41.72%
Debt Coverage Ratio		1.182	1.199	1.217	1.234	1.251	1.268	1.285	1.302	1.319	1.336	1.353	1.369	1.385	1.401	1.417
OTHER FEES**																
Issuer and Monitoring Fee		\$23,419	\$23,419	\$23,419	\$23,419	\$23,419	\$23,419	\$23,419	\$23,419	\$23,419	\$23,419	\$23,419	\$23,419	\$23,419	\$23,419	\$23,419
Managing GP Fee/ LP Fees	1.035	\$15,000	15,525	16,068	16,631	17,213	17,815	17,815	17,815	17,815	17,815	18,439	18,439	18,439	18,439	19,084
LP Fees	1.03	\$5,000	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	6,720	6,921	7,129	7,343	7,563
Total Other Fees		43,419	44,094	44,792	45,513	46,259	47,031	47,204	47,383	47,568	47,758	48,577	48,779	48,987	49,201	50,066
Remaining Cash Flow		\$89,798	\$101,753	\$113,686	\$125,585	\$137,437	\$149,230	\$161,573	\$173,850	\$186,045	\$198,144	\$209,506	\$221,360	\$233,066	\$244,603	\$255,306
Deferred Developer Fee**		\$89,798	\$101,753	\$113,686	\$125,585	\$137,437	\$149,230	\$161,573	\$173,850	\$186,045	\$198,144	\$209,506	\$221,360	\$233,066	\$244,603	\$255,306
Seller Note	0.01					0	0	0	0	0	0	0	0	0	106,878	127,653
Partnership Admin Fee	0.9000					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$96,191	\$114,888
LP Distribution	0.9999														\$10,687	12,764
GP Distribution	0.0001														1	1

\*9% and 4% + state credit applications should include the cost of tenant internet service if requested in the Points System site amenity section.

\*\*Other Fees and all payments made from cash flow after must pay debt should be completed according to the terms of the partnership agreement (or equivalent ownership entity terms). Please re-order line items consistent with any "order of priority" terms. These items are to be completed when submitting an updated application for the Carryover, Readiness, Final Reservation, and Placed-in-Service deadlines.